



April 25, 2014

To: Executive Board

Subject: **Contract Award – Financial Audit Services**

### Recommendation

Authorize the Executive Director to negotiate final contract terms and conditions and execute a contract in the amount of \$113,790 with Crowe Horwath for Financial Audit Services for a three year period with two option years to be exercised at Foothill Transit's sole discretion.

### Background

Foothill Transit retains the services of a Certified Public Accounting firm to annually audit Foothill Transit's financial records.

On January 31, 2014, the Executive Board authorized the Executive Director to issue a Request for Proposals (RFP) for Audit Services. RFP No. 14-020 was issued on January 24, 2014. The RFP was advertised in the San Gabriel Valley Tribune and the Inland Valley Daily Bulletin. It was also posted on Foothill Transit's website, and sent directly to 37 potential respondents.

On February 14, 2014, proposals were received from six different CPA firms. An evaluation committee conducted a thorough evaluation of the six proposals using the evaluation criteria set out in the RFP. Crowe Horwath was the highest rated proposer. Results of the evaluations are included in the following table:

Evaluation Factors	Maximum Score	Proposer					
		Crowe Horwath	Pun & McGeedy	Simpson & Simpson	Vasquez	Brown Armstrong	LSL
Technical Factors	75	66.52	66.65	65.53	63.25	62.18	56.62
<b>Rank</b>		<b>2</b>	<b>1</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
Price	25	25.00	22.10	20.88	17.47	16.08	20.89
<b>Rank</b>		<b>1</b>	<b>2</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>3</b>
<b>Overall Score</b>	100	<b>91.52</b>	<b>88.75</b>	<b>86.41</b>	<b>80.72</b>	<b>78.26</b>	<b>77.51</b>
<b>Rank</b>		<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>



Crowe Horwath is one of the largest public accounting and consulting firms in the United States, serving clients worldwide as an independent member of Crowe Horwath International, one of the largest global accounting networks in the world. They have significant experience auditing transit agencies including Chicago Transit Authority, Chicago Pace and Metra, Dallas Area Rapid Transit, and Miami-Dade County Transit. They will be providing services to Foothill Transit from their Sherman Oaks Office.

**Fiscal Impact**

Funding for financial audit services will be included in the FY 2015 Business Plan and will be programmed annually in Foothill Transit's succeeding fiscal years' budget.

Sincerely,

A handwritten signature in blue ink that reads "Michelle Lopes Caldwell".

Michelle Lopes Caldwell  
Finance Director

A handwritten signature in blue ink that reads "Doran J. Barnes".

Doran J. Barnes  
Executive Director